

Leader's Report to Full Council

Date of Meeting:	08/01/2025
Subject:	Leader's Report to Council: Devolution and Local Government Reorganisation
Cabinet Member:	Leader, Cllr Luke Taylor
Wards Affected:	All
Enclosures:	None

Section 1 – Summary

To advise all members on the latest situation with regards to the devolution and reorganisation debates as instigated by the English Devolution White Paper and Minister's letter to the Leader prior to Christmas.

Recommendation(s):

- 1. To write to the Minister in partnership with other council leaders to reaffirm our opposition to a single Devon-wide unitary authority and the postponement of county council elections.**
- 2. Fully endorse the Joint Statement issued by Devon's District Councils (3rd January 2025), emphasising our opposition to a single unitary authority; the importance of proper consultation and evidence-based reform; and a clear stance against delaying scheduled elections.**
- 3. To continue to work collaboratively with councils across Devon, including Torbay, to explore options for simplification as outlined in the English Devolution White Paper, with a focus on improving collaboration, efficiency, and shared services, rather than pursuing disruptive structural reforms.**
- 4. To commission legal advice and independent, evidence-based analysis to underpin any future proposals, ensuring they are credible, transparent, and robust to ensure the Ministerial deadlines are met with well-prepared, fact-driven, and scrutinised submissions.**
- 5. To commit to comprehensive public consultation in advance of any business case submission, and to lobby the government on the importance of a Devon-wide referendum to ensure that any revised local government structures meets the principles of devolved powers to local communities rather than being imposed by Whitehall.**

Section 2 – Report

- 1.0 Members will all be aware of the longstanding government commitment to devolution. Over a number of years different governments have sought to devolve limited decision-making in return for the introduction of administrative structures that best meet the needs of government by way of accountability at sub-regional level. Most recently, this has culminated in the approval of the Devon and Torbay Combined County Authority (CCA), which will be formally created in the next couple of months.
- 1.1 The English Devolution White Paper was published on 16th December 2024 and is included in the supplementary papers for council. This is only a White Paper, but it sets out government intention with regard to policy and legislative intent. As well as discussing the government's views on devolution, public service resilience and reform, it also expressed a desire to see 'simplification' of local government arrangements under new 'strategic authorities'.
- 1.2 The government's policy intent is clear that they wish to see these new strategic authorities covering the whole of England. It has been confirmed that the Devon and Torbay CCA would be granted 'Foundation Strategic Authority' status, meaning our area would already meet the minimum standards for devolution (the White Paper includes a map of the country making this proposed Foundation status clear).
- 1.3 The approval of the CCA included an expectation that this new entity would be reviewed within three years and, while not explicitly stated, it was clear that Ministers hoped to see this become a full mayoral authority at that point, along with consideration of whether the existing local government structures remained suitable in that context. This is a sensible timeframe for reviewing the CCA, allowing for evidence of strategic delivery and learned-practise to be considered when evaluating whether further devolution can be achieved across Devon.
- 2.0 In order to set the political context to the White Paper, the Minister wrote to all councils in two-tier areas, along with neighbouring unitary councils, to make it clear that his view was 'local government reorganisation, alongside devolution over a large strategic geography, can drive economic growth whilst delivering optimal public services'. The Minister was also clear that he wished to see 'fewer politicians' in local government, and by extension more centralised decision making. The full letter is published as a supplemental paper for council.
- 2.1 Within Devon, we have a long history of working collaboratively together across council boundaries. The leaders of all councils have worked in common interest across political divides and in the best interest of our residents and businesses over many years. This structural collaboration and trust is about to be embedded in the new CCA. It had been expectation that all councils would reflect on the government's proposals in a serious and considered way, before determining how best to proceed.
- 2.2 Unfortunately, the Minister's letter contained a carrot for two-tier areas with scheduled elections in May 2025. The Minister has suggested he might be

willing to postpone elections if the relevant upper-tier council submits a clear commitment to further devolution and reorganisation before 10th January 2025.

- 2.3 Devon County Council (DCC) has scheduled an extraordinary full council meeting on 9th January 2025. It has not published any report in advance. There has been no communication with the Leaders of the Devon district councils, and the regular scheduled meeting of all elected Leaders across Devon for 8th January 2025, has been cancelled by DCC.
- 2.4 It is clearly impossible to have done any meaningful work or analysis, let alone the substantial public engagement or consultation needed, before this deadline. With the refusal to update partners on intentions, or to publish any report in advance, it is believed that 24 hours before the deadline a decision will be sought by DCCs political leaders to request the postponement of the county elections in May 2025.
- 2.5 Devon does not meet the criteria as set out in the Minister's letter: we do not need reorganisation to unlock devolution, and we were not expected to join the priority programme since we are already on our way to implementing a devolved outcome with a Foundation Strategic Authority. Civil servants have confirmed this to chief executive officers in those areas with existing deals being implemented. Therefore, it can reasonably be assumed that the desired outcome of this DCC council meeting is solely the suspension of DCC elections, with public partners and the views of nearly 1 million people of Devon being cast aside in the interest of a political party holding onto power as an unelected administration.
- 2.6 However, as all DCC's actions are so far being done in secret, no one is yet certain what their proposed letter will contain. There is, therefore, an element of speculation at the present time. Recognising that the DCC council meeting is scheduled such that there is no time to react afterwards and still meet the Minister's deadline, every district council across Devon has scheduled extraordinary meetings with a view to ensuring all elected members across Devon at all levels of local government are aware of the national context, the collaborative will of the districts, the advice of Civil servants, and the approach of DCC.
- 2.7 As your Leader, I met with my counterparts across Devon on 3rd January and we agreed to publish a joint statement making it clear that districts were united in our collaboration, our commitment to the fundamental principles of democracy, and our desire to consider this subject on a more sensible timeframe involving the residents and businesses of Devon.
- 2.8 Any reorganisation carries financial and democratic risks, and it is imperative that those risks are properly considered and scrutinised before any committal. These include:
- Significant upfront costs of reorganisation, including redundancies, IT system changes, and rebranding, which often amount to tens of millions of pounds.

- Projected savings may not materialise or may take years to offset initial costs. This is based on evidence from other areas, including Somerset and Dorset where projected savings from unitary authorities are often overstated or fail to materialise and transitional costs are often higher than anticipated.
- The potential loss of localised service delivery efficiencies, with rural areas like Mid Devon receiving reduced investment and attention.
- Resources from district services where we provide local value-added enhancements or wholly discretionally services (including housing, waste, leisure, community grants, planning enforcement) being diverted to meet the rising costs of mandatory services (including adult social care, SEND, and highways), resulting in service loss or decline for residents.
- The strain on remaining services and staff as management layers are reduced, leading to service gaps or inefficiencies.
- Environmental stewardship will be weaker where governance operates at a scale too large for people relate to—across both rural landscapes and urban centres.
- Less locally-specific planning policy risks a lack of and/or inappropriate development compromising people's quality of life and the environment.
- More centralised decision making and less local representation reduces public access to the politicians who represent them. This reduces accountability to and the role of the public in local democracy.

2.9 I believe that any proposals must be rigorously assessed through Cost-vs-Benefit and Risk-vs-Opportunity frameworks to fully understand the financial, operational, and community impacts before any decisions are made. Any future proposal must be evidence-based and subject to a Devon-wide referendum to ensure any proposed changes have clear public support and are not imposed by Whitehall, in order to meet the principles of devolved power. Without a clear public mandate for change, reorganisation of the scale needed represents an undemocratic centralisation of power away from local communities.

3.0 I want to reassure staff and the public that at the moment it is business as usual. The risks identified above, and any others identified as a result of further analysis, may be mitigated or deemed acceptable. However, this emphasises why it is important to conduct a comprehensive evidence-based analysis of any future proposals before committing to reorganisation, and the large amount of work that is still outstanding.

3.1 This is a fast-moving topic. It is my hope that the debate and discussion we have will update you on the latest position, will seek your views on our approach over the coming months, and will secure your support for the initial recommendations I've proposed. This must be a Council-led approach, and I will happily table such amendments as members feel may be appropriate to ensure a democratic mandate.